

NATIONAL DAIRY MARKET AT A GLANCE

**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (11/24):**  
**BUTTER:** Grade AA closed at \$0.9800. The weekly average for Grade AA is \$1.0100 (-.0550).

**CHEESE:** Barrels closed at \$1.0975 and blocks at \$1.1200. The weekly average for barrels is \$1.0975 (N.C.) and blocks, \$1.1200 (-.0020).

**NONFAT DRY MILK:** Extra Grade and Grade A closed at \$1.0300. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0300 (N.C.).

**BUTTER:** The butter market is weak. The Grade AA cash butter price continues to decline at the CME. Producers and handlers had anticipated that the trading level would dip below the \$1.00 per pound level. Now the question being asked is how much lower? Current churning schedules are seasonally active. Cream volumes are readily available to butter producers from local and out of area sources. Producers anticipate cream volumes to become even more available during the Thanksgiving holiday period. Butter demand has slowed. Inventory review after the holiday and a weakening cash price are two factors causing some buyers to delay orders for future needs.

**CHEESE:** The cheese market is steady. Many cutters and processors will operate on abbreviated schedules around the Thanksgiving holiday. Downward price risk is minimal due to nearby CCC purchase prices. Current orders for natural varieties are generally good to occasionally very good as holiday cheese orders get filled. Process movement is fair to good, depending on market segment. Cheese production is seasonally heavy with additional milk offerings anticipated over the long holiday weekend.

**FLUID MILK:** Milk production throughout the country continues to be quite strong for this time of the season. Favorable weather conditions and mild temperatures were common in most areas. The fluid milk market is following typical holiday trends for Thanksgiving week. Bottling plants were running extended schedules up through Tuesday, but orders did fall off for Wednesday through Friday. Orders for Grade A milk for the upcoming weekend will be back to

normal levels as bottlers refill the school bottled milk pipelines. Most schools will be resuming classes on Monday, allowing shipments to return to pre-holiday levels. Some surplus milk is expected to be diverted to manufacturing plants during the holiday period. Manufacturers do not anticipate any problems in handling extra volumes. Cream interest was stronger early in the week, but demand and multiples eroded as the week progressed. Trucking and plant schedules become obstacles with the holiday.

**DRY PRODUCTS:** Nonfat dry milk markets are steady to weak with prices unchanged to lower. Early in the week, some producers reported more fluid milk clearing to Class I with less to NDM production, but anticipate the reverse by the holiday weekend. Late last week, Midwestern powder cleared to the CCC, the first Midwestern clearance since July. Producers' stocks range from well balanced to heavier than desired. Buttermilk powder markets are generally steady at unchanged prices. Current demand is light during this holiday shortened week. Dry buttermilk is limited since most current volumes are readily clearing as condensed. Whey markets are mixed, although generally steady. Prices in some regions of the country are slightly higher, while others are steady to slightly lower. Stock levels are generally in balance with current demand with some manufacturers reporting that they are currently sold out.

**CCC:** During the holiday abbreviated purchase week of November 22 - 26, net purchases totaled 1,631,292 pounds of nonfortified NDM from Western sources.

**COLD STORAGE (NASS & FSA):** U.S. cold storage holdings of butter on October 31, 1999 total 59.9 million pounds, down 16.2% from last month, but 92.1% more than October 1998. Natural American cheese holdings total 457.0 million pounds, down 3.8% from September 1999, but 15.8% heavier than October 1998. Nonfat dry milk holdings at the end of September total 235.0 million pounds, 32.8% heavier than last September, but 13.6% less than last month.

\*\*\*\*SPECIALS THIS ISSUE\*\*\*\*

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**CHICAGO MERCANTILE EXCHANGE  
 CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY NOVEMBER 22	TUESDAY NOVEMBER 23	WEDNESDAY NOVEMBER 24	THURSDAY NOVEMBER 25	FRIDAY NOVEMBER 26	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.0975 (N.C.)	\$1.0975 (N.C.)	\$1.0975 (N.C.)	CME	CME	N.C.	\$1.0975 (N.C.)
40# BLOCKS	\$1.1200 (N.C.)	\$1.1200 (N.C.)	\$1.1200 (N.C.)	CASH	CASH	N.C.	\$1.1200 (-.0020)
NONFAT DRY MILK EXTRA GRADE	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	DAIRY	DAIRY	N.C.	\$1.0300 (N.C.)
GRADE A	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	MARKETS	MARKETS	N.C.	\$1.0300 (N.C.)
BUTTER GRADE AA	\$1.0400 (-.0150)		\$ .9800 (-.0600)	CLOSED	CLOSED	-.0750	\$1.0100** (-.0550)

\*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AM.SUSDA.GOV/MARKET/NEWS/HTM \*\*CORRECTION: Last week's butter average should have been \$1.0650, the weekly average change was correct.

**CHICAGO MERCANTILE EXCHANGE**

MONDAY, NOVEMBER 22, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$1.0350, 1 @ \$1.0400; BIDS UNFILLED: 1 CAR GRADE AA @ \$1.0100; OFFERS UNCOVERED: 17 CARS GRADE AA: 1 @ \$1.0425, 2 @ \$1.0450, 1 @ \$1.0475, 1 @ \$1.0500, 1 @ \$1.0525, 2 @ \$1.0550, 2 @ \$1.0600, 1 @ \$1.0625, 3 @ \$1.0650, 3 @ \$1.0750

TUESDAY, NOVEMBER 23, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, NOVEMBER 24, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 7 CARS GRADE AA: 3 @ \$1.0000, 1 @ \$0.9900, 1 @ \$0.9975, 2 @ \$0.9800; BIDS UNFILLED: 2 CARS GRADE AA @ \$0.9700; OFFERS UNCOVERED: 25 CARS GRADE AA: 1 @ \$0.9850, 1 @ \$0.9925, 1 @ \$0.9975, 2 @ \$1.0000, 1 @ \$1.0050, 1 @ \$1.0125, 1 @ \$1.0200, 1 @ \$1.0225, 2 @ \$1.0250, 2 @ \$1.0275, 2 @ \$1.0300, 2 @ \$1.0325, 1 @ \$1.0350, 1 @ \$1.0375, 2 @ \$1.0400, 1 @ \$1.0450, 2 @ \$1.0500, 1 @ \$1.0550

THURSDAY, NOVEMBER 25, 1999 -- NO TRADING

FRIDAY, NOVEMBER 26, 1999 -- NO TRADING

**BUTTER MARKETS****OCTOBER COLD STORAGE**

U.S. cold storage holdings of butter on October 31, 1999, total 59.9 million pounds, down 16.2% from last month, but 92.1% heavier than October 1998.

**NORTHEAST**

The market tone remains weak and as of 11/22, the trading price at the CME has dropped for five consecutive trading sessions. Churning activity was a little lighter than last week as more cream was being used in other, holiday related products. Butter stocks are more than ample for current needs. Fresh butter is more readily available and there have been some scattered reports of Western butter coming across the country to supplement the occasional need. Retail feature activity for Thanksgiving is in full swing and product is clearing. Food service orders are also improved as restaurants prepare for Thanksgiving and the beginning of the Christmas shopping season. Distributors are very active making this week's deliveries early as most will be closed after Wednesday.

**CENTRAL**

Butter markets remain weak. The Grade AA trading level at the CME has declined each trading session since November 12. Although the declines have been minimal, most butter producers and handlers question when will the big decline occur. Producers and handlers have mixed opinions as to how low the cash price will drop, but most anticipate the level to be below \$1.00. Very good Thanksgiving orders have now been placed, shipped, and delivered for retail and food service needs. From

various sources, statements of very good butter sales during the Thanksgiving period were exchanged. Indications are that sales during the upcoming Christmas/New Year period should be equally as positive. Current churning schedules are seasonally active with butter producers absorbing local and out of area cream volumes. Butter stocks are fully adequate for current needs.

**WEST**

Most contacts are well pleased with butter sales activity related to the holiday season. They note good shipments at this time and are expecting good reorders next week. Most grocery chains have features on at least one of their butter labels and sales are being increased because of it. Enough butter is generally available, but timing may be a problem for some accounts because of limited transportation available on short notice around the holidays. Cream demand from outside the region has eased off this week which is what most contacts had expected. This, of course, means that there is more cream going into the churns within the region.

WHOLESALE SELLING DIFFERENTIALS, F.O.B. PRODUCING PLANTS, TRUCK-LOAD QUANTITIES.

\*\*\*DUE TO A LACK OF CONSENSUS ON THE PART OF PRODUCERS AND BUYERS ABOUT THE BASING POINT FOR BULK BUTTER SALES (PREVIOUS FRIDAY'S CLOSE, PREVIOUS WEEK'S AVERAGE, DATE OF SALE, DATE OF SHIPMENT, ETC.), DAIRY MARKET NEWS IS TEMPORARILY SUSPENDING THE REPORTING OF PREMIUMS OR DISCOUNTS.\*\*\*

**NASS DAIRY PRODUCT PRICES**  
U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 39% MOISTURE			
NOVEMBER 20	*	*	*	*	*

\*The NASS Dairy Product Prices survey for the week ending November 20, will be released on Friday November 26, at 3:00pm Eastern Time and is not available for publishing in this report. Data in that release can be found on the Internet at <http://jan.mannlib.cornell.edu/reports/nass/price/dairy> or on our recorded information system. (608-224-5088 -- press 1, 1, 5)

## CHEESE MARKETS

## NORTHEAST

Prices are mixed and the market tone remains unsettled to weak. Production of cheese in the Northeast is seasonally moderate and most cheese makers are trying to limit their milk intakes to normal or contracted volumes. Extra milk will be available this week as most schools will be closed for various periods of time. Cheese stocks are more than adequate to meet current needs. Retail sales are up seasonally. We are entering a very good time of the year for restaurants and fast food outlets when cheese sales historically improve. Distributors are active early this week as most are trying make a week's worth of deliveries in just three days.

WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.1375-1.6275
Cheddar Single Daisies	:	1.1175-1.5775
Cheddar 40# Block	:	1.2625-1.4400
Process 5# Loaf	:	1.3100-1.4600
Process 5# Sliced	:	1.3300-1.5625
Muenster	:	1.3200-1.6225
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

## MIDWEST

The cheese market is steady. Some traders feel that prices could still go either way (up or down) before year end. Current movement is mostly good to very good. Most cutters and processors will be closed an extra day or possibly two for the holiday observance. Lead times on natural orders to producers are steady to occasionally longer. Process orders range from fair to good, depending on market segment. Aged cheddar interest is seasonally active, depending on the month. Cream cheese movement remains good. Cheese production remains heavy for November with additional milk expected to back up from bottlers as schools close later in the week. Trucking is traditionally a problem around holidays in getting shipments in and out.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.2775-1.7300
Brick And/Or Muenster 5#	:	1.6300-1.6825
Cheddar 40# Block	:	1.4825-2.1150
Monterey Jack 10#	:	1.6675-2.1150
Blue 5#	:	1.8175-2.2100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5525-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.5500-2.6850

## MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),  
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	NOVEMBER 22 - 26, 1999
BARRELS*	:	\$1.0875 - 1.1075 (NOMINAL)
	:	(-\$0.0100) (-.0100)
40# BLOCKS	:	\$1.1200 - 1.1525 (NOMINAL)
	:	(-\$0.0025) (-.0150)

( ) Change from previous week. \* If steel, barrel returned.

## WEST

Cheese prices at the CME continue to bounce around the support price level. The market undertone continues to be weak with contacts continuing to discuss whether cheese will be offered to the government in the near future. Current demand continues to be very spotty. Buyers don't seem to have much incentive at this time to do any additional purchasing. They believe that plenty of product will be available for the foreseeable future and that there is not much room for prices to decline much further. Sales activity is rated as fair to good. Natural American cheese stocks continue to decline seasonally from the peak recorded in July. October stocks stand at 457 million pounds, down 16% from the July peak of 545 million pounds. Stocks have fallen 29.3 million pounds on average per month. Swiss stocks total 10.8 million pounds, down 12.4% from October 1998.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND  
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.2525-1.5125
Cheddar 40# Block	:	1.2425-1.3825
Cheddar 10# Cuts	:	1.4225-1.6425
Monterey Jack 10#	:	1.4325-1.6025
Grade A Swiss Cuts 6 - 9#	:	2.3800-2.5100

## FOREIGN

Prices are steady to fractionally higher on domestic styles, mostly steady on imported. Demand for foreign type cheese is improving along seasonal patterns. However, as U.S. prices fall, the demand for imported processing solids is slowing. Stocks of most types of cheese are adequate to meet needs. Most distributors are very active this holiday-shortened week.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK  
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
	:	:
Roquefort	TFEWR	-0-
Blue	2.6400-3.1400	1.4725-2.0725
Gorgonzola	3.2400-5.9400	2.0225-2.4900*
Parmesan (Italy)	TFEWR	2.8825-2.9075*
Romano (Italy)	2.1000-2.5400	-0-
Provolone (Italy)	3.4400-5.5000	1.4825-1.7625*
Romano (Cows Milk)	-0-	2.6725-4.8575*
Sardo Romano (Argentina)	2.6500-3.2900	-0-
Reggianito (Argentina)	2.6500-3.2900	-0-
Jarlsberg-(Brand)	2.7400-3.3100	-0-
Swiss Cuts Switzerland	-0-	2.3500-2.5500
Swiss Cuts Finnish	2.5900-2.8500	-0-
Swiss Cuts Austrian	2.2500-2.7500	-0-
Edam	:	:
2 Pound	TFEWR	-0-
4 Pound	2.1900-3.0900	-0-
Gouda, Large	2.3900-3.1500	-0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	27.8000-31.7000	-0-

\* = Price change.

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
11/22/99	6,008	113,043
11/01/99	17,566	121,459
CHANGE	-11,558	-8,416
% CHANGE	-66	-7

## FLUID MILK AND CREAM

## E A S T

Mild weather has covered much of the East and milk production is steady to heavier. Florida's output continues to grow. In Louisiana, warmer weather and rain has helped the rye grass grow which, in turn, boosts milk output. In the Middle Atlantic and Northeast regions, the milk flow is mostly steady. Fluid milk supplies are adequate to ample for Class I needs and surplus milk diversions are steady to heavier. Bottling plants were running extended schedules up through Tuesday, but orders did fall off for Wednesday through Friday. Orders for Grade A milk for the upcoming weekend are back up to normal levels as bottlers refill the bottled milk pipelines. Manufacturing plant contacts are not expecting too much difficulty handling the holiday milk. Florida handlers were unavailable to comment on their state's milk imports. However, some loads early in the week were brought in, but some of their late-week regular source milk was turned back to the supplier. Handlers in other Southeastern states report 28 spot loads coming in from outside sources. This figure is unchanged from last week and down from the 60-65 loads a year ago. The condensed skim market is unchanged. Demand is slow to fair for Class II and III wet solids and prices for Class II remain nominal. The fluid cream market is steady to weaker. Cream offerings were a little snug late last week and into this week, but supplies are growing as the week progresses. Spot prices are mostly lower as both the multiples and the CME weekly butter average are lower. A combination of increased surplus milk volumes and slower demand is forcing more excess cream to local and Midwestern churns. Egg nog output has slowed as Thanksgiving orders have been delivered. If historical patterns are followed, egg nog production will start up in the first or second week of December. Bottled cream sales have been quite good and typical for this time of year. Ice cream production and sales are seasonally slow to fair, but some producers do try to step up output at a time when cream supplies are most plentiful. Cream cheese production is moderate to heavy.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

## SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.3632-1.4697
DELIVERED EQUIVALENT ATLANTA	-	1.3526-1.4910 M 1.3845-1.4484
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.3739-1.4378

## PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.2500-1.6500
NORTHEAST- CLASS III - SPOT PRICES	- .9500-1.1800

## M I D W E S T

## WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
NOVEMBER 19 - 24, 1999	18
PREVIOUS WEEK	24
COMPARABLE WEEK IN 1998	17

## DESTINATIONS: MISSOURI 18

Class I and II interest was typically good early in the week, but by midweek interest was showing signs of the slowdown attributed to having schools close for the Thanksgiving weekend. Some retail promotional activity on fluid products during the holiday period is expected to help generate additional sales. Extra surplus milk will be diverted to manufacturing plants though it is anticipated to be a fairly easy holiday for handling extra volumes. Spot manufacturing milk prices early are reported as low as flat class/MCP with most receiving

a premium of under \$1.00. Besides the milk shipments reported, 19 loads of Wisconsin milk are "direct shipped" to Kentucky, 17 loads to Georgia, and 7 loads to Missouri and are pooled under a Southern federal order. Cream interest remains active from cream cheese and for holiday products such as dips. Ice cream interest is seasonally slow. Milk production is at or very near the annual low point through many parts of the upper Midwest. Plant milk receipts have generally been little changed on a week to week basis for a while already. Fat and protein tests are at good seasonal levels. Much needed precipitation covered much of the region but snow coverage for deer hunting was limited to very northern sections of the upper tier of states. Conditions have been dry enough for burning bans to be put into effect in many areas. Most daytime temperatures continue to stay several degrees above normal highs.

## WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	NOV 18 - 23	PREVIOUS YEAR
SLAUGHTER COWS	\$ 34.00- 39.00	\$ 28.00- 33.50
REPLACEMENT HEIFER CALVES	\$250.00-340.00	\$170.00-220.00

## SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	NOV 18 - 23	PREVIOUS YEAR
SLAUGHTER COWS	\$ 30.00- 42.50	\$ 28.00- 35.50

## W E S T

Milk production continues to be strong in the Southwest. Seasonal increases are being noted in many areas, despite some weather related effects in locations. Cooler temperatures across the region did little to affect the milk flow. California production remains at high levels compared to a year ago. Fat tests are indicated to be increasing seasonally. Production is trending slightly higher in New Mexico, but is below expectations on a per cow basis. Output also remains stronger in Arizona. Feed conditions are ideal. Good quality alfalfa and feedstuffs are available at decent prices. Fluid milk demand is strong going into the holiday weekend, but the demand is often frontloaded as many fluid plants expect to be down on Thursday, Friday, and Saturday. In general, the total demand is often "a wash" as better commercial fluid demand from holiday buyers is offset by the loss of school milk during vacations. Cream interest was stronger early in the week, but demand and multiples eroded as the week progressed. Trucking and plant schedules become obstacles with the holiday. Processors in the region expect few problems handling the milk supply over the extended Thanksgiving holiday. Heavy milk production remains the rule in the Pacific Northwest. Transportation schedules around the holiday weekend are rated as worse than the past few years. Trucks are harder to find and many are asking for premium pay. Conditions are beginning to cool off seasonally. Rain continues to fall every other day or so and snow is now common in the mountain passes. The weather is not causing any real disruptions. Top quality hay stocks are fast disappearing, but most milk producers have the vast majority of their needs covered. Good quality hay remains available. Culling rates continue at light levels with heifers remaining in very tight supply. Snow is also common at higher elevations in Utah and Idaho. Any moisture is very welcome after the prolonged dry spell. Fall seeded crops need to get better established before winter. Hay fields look in better shape after just a few days of rain. Processors believe that they will be able to handle heavy receipts this week in an orderly fashion. They are much more concerned with all the end of the year issues.

**CENTRAL AND WEST DRY MILK PRODUCTS**

All reports, except California manufacturing plants, were released 11/24/99 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

**NONFAT DRY MILK - CENTRAL**

Prices are unchanged to lower on a steady to weak market. Production remains mixed. Some producers are seeing more fluid movement into Class I and less NDM production. Others report production as steady to improved. Demand is fair to good as buyers increase some of their orders for holiday schedules. Movement into the CCC is again being reported from Midwest producers. Inventories are in balance to instances long. Producers are anticipating an increase in supply as holiday milk filters into plants over the weekend. High heat demand is less than anticipated for this time of year with some producers running long on supplies.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: .10100 - .10400 MOSTLY: .10200 - .10400

**DRY BUTTERMILK - CENTRAL**

Prices are unchanged on a steady market. Condensed product continues to clear well deterring manufacture interest in dry production. Some producers are anticipating increases in production by the second week in December. Churning activity is light. Aged product is reportedly available from first quarter. Demand is generally fair into baking facilities. Supplies are in balance to tight with less than truck lot loads trading at substantial premiums.

BUTTERMILK: .7700 - .8500

**DRY WHEY - CENTRAL**

Prices are unchanged to lower as the market continues to settle. Some producers are reporting higher prices for next week's shipments. Interest is light to fair, best into feed and bakery outlets. Production is generally steady. Inventories are in balance with current demand with some manufacturers reporting that they are sold out of product. Most producers are anticipating inventory growth as the year ends and buyers prefer not to hold product. Reports of export interest continue. Condensed whey is plentiful with buyers unable to handle available supplies.

NONHYGROSCOPIC: .1725 - .1900 MOSTLY: .1750 - .1850

**ANIMAL FEED WHEY - CENTRAL**

Prices are unchanged to lower on a steady to weak market. Roller ground prices adjusted to the recent changes in the whey market. Buyers are beginning to question delactose prices in comparison to the lower priced WPC market. Producers who base delactose prices off of the feed market and sell to food manufacturers are concerned about further decreases as food delactose is running tight. Some producers also continue to believe that delactose is a better buy for the feed manufacturer. Milk replacer is readily available for the light to fair demand. Barrow and gilt prices are steady to higher and the North Central veal undertone is steady.

MILK REPLACER: .1300 - .1700  
STANDARD: TFEWR  
ROLLER GROUND: .1675 - .1900  
DELACTOSE (Min. 20% protein): .2600 - .3150

**LACTOSE - CENTRAL AND WEST**

Prices are unchanged on a mostly steady market. Product remains available for the fair to good interest. Spot trade is best into feed and blend facilities. Contract negotiations for the first quarter are trending steady on the domestic market. Negotiations on the export market continue with some debate occurring over freight rates. Some producers are oversold and will need to be selective on their first quarter trades. Production continues strong with some cutbacks anticipated with the upcoming holiday. Reductions in supply are expected to tighten the market next week. Higher mesh sizes remain in good demand.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1700 - .2450 MOSTLY: .1900 - .2000

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices are unchanged on a steady to weak market. Some producers are considering high protein facilities in 2000. Imports and domestic production of high protein product remain a competitive force in the 34% market. Buyers continue to be hesitant in purchasing WPC. Off grade product is reportedly available at the lower end of the range. Unconfirmed trades are being reported below the range. Inventories are tight to instances long with Midwest producers in the best position. Brokers are reporting an increased interest on the export market. Producers are behind on contract negotiations. Feed demand is steady. The condensed market is tight with good movement into process cheese and feed facilities. Offerings of 80% are averaging at prices higher than \$1 while actual trades are moving below \$1.

EXTRA GRADE 34% PROTEIN: .4050 - .4550 MOSTLY: .4250 - .4450

**NONFAT DRY MILK - WEST**

Prices are lower and the market tone weaker for low/medium heat nonfat dry milk. Sales were confirmed from several producers at and under \$1.00. Building stocks and increasing production schedules are causing producers to reevaluate asking prices. More producers are negotiable with their prices. Additional producers are bagging for government offerings in the near future. Production is expected to be heavy over the extended holiday period, but at levels able to be handled. Inventories are light to heavy. High heat NDM prices are unchanged in light trading. The market tone is slower than in recent weeks with lighter demand noted. During the week of November 15 - 19, CCC net purchases totaled 3.1 million pounds of NDM, 2.0 million from Western sources.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9900 - 1.0200 MOSTLY: 1.0000 - 1.0150  
HIGH HEAT: 1.0200 - 1.0450

**DRY BUTTERMILK - WEST**

Dry buttermilk prices are unchanged and the market tone remains on the weak side. Demand is light during the holiday shortened week. Buyers are able to fill spot needs from several sources in the region. Production is trending higher as churning increases. Stocks are light to moderate and increasing.

BUTTERMILK: .7000 - .8000 MOSTLY: .7100 - .7300

**DRY WHEY - WEST**

Prices range from steady to fractionally higher for Western whey powder. Current levels of demand are sufficient to clear offerings in a timely fashion. Some reports of inventory declines are noted. Export interest continues to absorb good volumes of powder. Transportation problems are a concern this holiday shortened week. The basic undertone for the market is steady.

NONHYGROSCOPIC: .1925 - .2200 MOSTLY: .2000 - .2050

**CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK**

WEEK ENDING	PRICE	POUNDS
November 19	\$1.0139	12,430,532
November 12	\$1.0152	9,716,398

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

**NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS**

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

**NONFAT DRY MILK - NORTHEAST AND SOUTHEAST**

Prices and the market tone are unchanged. Market conditions are typical for a Thanksgiving week. Most spot orders have been delivered and there is little new spot interest. Also, with the holiday, truckers prefer to be home and that creates some hauling problems late in the week. Production levels are steady to heavier as more surplus milk is available after Wednesday and the continued slow demand for condensed skim forces dryers to be a little more active. Producer stocks range from well balanced to a little heavier than desired. Some large volume or multi load deals are being discussed. For the most part, buyers see little reason to make purchases too far in advance. They see steady to lower prices and no shortage of supply for the first quarter or half of next year.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0150 - 1.0600 MOSTLY: 1.0200 - 1.0400

HIGH HEAT: 1.0600 - 1.1100 MOSTLY: 1.0700 - 1.0900

DELVD SOUTHEAST:

ALL HEATS: 1.0450 - 1.1300

**DRY BUTTERMILK - NORTHEAST AND SOUTHEAST**

Prices are unchanged. The market tone is steady, but there are reports of both firmness and weakness. Most producers have little powder on hand for immediate shipment. However, demand remains slow to fair, but lower priced product from other regions may cause local producers to adjust their prices to become competitive. The light output and closely balanced stocks do tend make local producers hold their asking prices. Churning activity is increasing late this week, but should return to more normal levels early next week.

F.O.B. NORTHEAST: .8100 - .8500

DELVD SOUTHEAST: .8200 - .8500

**DRY WHOLE MILK - NATIONAL**

Prices are steady and the market tone is little changed. Production levels are light to moderate and still geared to filling existing orders. Spot domestic interest is seldom better than fair. Export demand continues as a few small-volume DEIP bids have been accepted in the past two to three weeks.

F.O.B. PRODUCING PLANT: 1.2200 - 1.3525

**DEIP BID ACCEPTANCE SUMMARY**

JULY 1, 1999 THROUGH NOVEMBER 19, 1999  
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	59,918	MT (132,095,222 LBS)
CHANGE	--	822	MT (1,812,822 LBS)

WHOLE MILK POWDER	--	3,027	MT (6,673,324 LBS)
CHANGE	--	60	MT (132,276 LBS)

CHEESE	--	1,087	MT (2,396,400 LBS)
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BUTTERFAT	--	2,006	MT (4,422,428 LBS)
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Allocations for the DEIP year beginning July 1, 1999, are: Nonfat dry milk - 76,207 MT; Whole Milk Powder - 2,518 MT; Cheese - 3,190 MT; Butterfat - 25,475 MT.

These DEIP allocations are in addition to balances still available from quantities announced on May 13, 1999; 25,177 MT of Nonfat Dry Milk (to be filled in roughly equal quarterly amounts during the GATT-year beginning July 1, 1999), 7,500 MT of dry whole milk, and 1,270 MT of cheese.

**DRY WHEY - NORTHEAST AND SOUTHEAST**

Prices are mostly steady with a few fractional adjustments reported. The market tone is unchanged and typical for this time of year. Eastern producers report stocks as closely balanced or sold out, but traders do have competitively priced product available for sale. Overall demand is still lackluster. Domestic buyers are buying as they need it as they see little reason to buy too far ahead. Some export sales are being made, but often for delivery several weeks in the future. Production levels are steady to heavier as more surplus milk is available to local cheese makers. Traders do report a typically quiet week as many offices will be open only until Wednesday this week.

F.O.B. NORTHEAST: EXTRA GRADE .1725 - .1850

USPH GRADE A .1925 - .2075

DELVD SOUTHEAST: .1925 - .2175

**ANIMAL FEED WHEY - NORTHEAST**

Prices remain too few to report and the market tone is weak. Demand is still slow and the holiday shortened week is amplifying the already slow demand. Stocks are more than ample for current needs.

F.O.B. NORTHEAST: MILK REPLACER TFEWR

**EVAPORATED MILK - NATIONAL**

Thanksgiving orders have been filled except for some last minute fill-in orders. Prices and the market tone are steady. Retail sales are seasonally active as the baking season gets underway. Production levels are light to moderate, but milk volumes are expected to increase late this week. Plant stocks are near their low point of the year.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$24.68 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

**CASEIN - NATIONAL**

Casein markets are steady to firm with prices generally unchanged. Domestic buyers indicate that current and future delivery prices are trending higher. European stocks are reported to be tight. It appears that stocks from this region will be limited for the balance of the season until the new milk production season resumes. Oceania stocks are more available as milk production is just past peak levels. This year, the Oceania region, especially New Zealand, is realizing a very positive milk season in comparison to last year. Thus milk volumes are readily available for manufactured dairy products, including casein.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 1.8000 - 1.9000

ACID: 1.8500 - 2.0000

**COFFEE, SUGAR & COCOA EXCHANGE (A subsidiary of the NEW YORK BOARD OF TRADE) AND CHICAGO MERCANTILE EXCHANGE FUTURES**Selected settling prices, (open interest), and volume 1/

Month	11/10	11/11	11/12	11/15	11/16	11/17	11/18	11/19	11/22	11/23
<b>CSCE/NYBT - BFP -- Dollars per cwt.</b>										
NOV 99	10.40 (177) 0	10.53 (177) 0	10.53 (177) 0	10.43 (177) 0	10.46 (177) 0	10.40 (176) 1	10.40 (176) 0	10.20 (176) 0	10.10 (177) 1	10.10 (178) 2
DEC 99	10.80 (135) 1	10.70 (135) 0	10.80 (135) 0	10.83 (135) 4	10.83 (135) 0	10.68 (136) 1	10.75 (136) 0	10.63 (136) 0	10.40 (135) 1	10.33 (136) 1
JAN 00	11.25 (54) 0	11.10 (55) 1	11.25 (55) 0	11.43 (55) 0	11.35 (55) 0	11.05 (57) 2	11.18 (57) 0	11.18 (57) 0	10.95 (57) 0	10.90 (57) 0
FEB 00	11.35 (30) 0	11.25 (31) 1	11.40 (31) 0	11.40 (32) 1	11.40 (32) 0	11.25 (33) 1	11.30 (33) 0	11.30 (33) 0	10.95 (33) 0	10.85 (34) 2
MAR 00	11.55 (19) 1	11.50 (19) 0	11.50 (20) 1	11.50 (20) 0	11.50 (20) 0	11.40 (21) 1	11.50 (21) 0	11.45 (22) 1	11.15 (22) 0	11.15 (24) 2
APR 00	11.50 (12) 1	11.50 (12) 0	11.50 (13) 1	11.53 (13) 0	11.53 (13) 0	11.53 (14) 1	11.45 (14) 0	11.45 (15) 1	11.35 (16) 1	11.35 (17) 1
MAY 00	11.60 (12) 0	11.60 (12) 0	11.60 (12) 0	11.60 (12) 0	11.60 (12) 0	11.60 (13) 1	11.55 (13) 0	11.55 (13) 0	11.55 (13) 0	11.43 (13) 0
JUN 00	11.85 (8) 2	11.85 (8) 0	11.85 (8) 0	11.85 (9) 1	11.85 (9) 0	11.78 (9) 0	11.73 (9) 0	11.80 (9) 0	11.80 (9) 0	11.80 (9) 0
JUL 00	12.48 (3) 0	12.43 (3) 0	12.55 (4) 1	12.55 (4) 0	12.55 (5) 0	12.43 (5) 0	12.38 (5) 0	12.55 (5) 0	12.55 (6) 1	12.55 (6) 0

**CME - BUTTER -- Cents per pound**

FEB 00	101.75 (42) 0	102.00 (42) 1	103.00 (45) 4	103.00 (45) 0	103.00 (45) 0	102.50 (47) 2	102.50 (47) 0	102.50 (47) 0	102.50 (47) 0	102.60 (47) 0
MAR 00	103.00 (25) 0	104.00 (26) 1	104.00 (30) 4	104.00 (34) 4	104.00 (34) 0	103.00 (36) 2	103.00 (37) 1	103.50 (39) 2	103.00 (39) 2	104.00 (41) 8
MAY 00	108.00 (31) 4	108.50 (32) 2	108.50 (34) 2	108.00 (35) 1	108.00 (39) 6	107.00 (42) 2	107.00 (43) 2	108.00 (43) 5	107.00 (43) 1	110.00 (47) 5
JLY 00	111.025 (22) 0	111.50 (22) 0	111.50 (23) 2	111.50 (23) 0	111.50 (23) 0	111.50 (23) 0	112.50 (26) 3	112.50 (27) 3	112.00 (33) 10	113.00 (34) 3

**CME - BFP -- Dollars per cwt.**

NOV 99	10.40 (1090) 14	10.45 (1097) 17	10.50 (1109) 11	10.50 (1110) 3	10.46 (1072) 16	10.40 (1096) 26	10.41 (1095) 22	10.15 (1104) 18	10.15 (1114) 21	10.10 (1106) 26
DEC 99	10.70 (929) 55	10.71 (937) 17	10.85 (938) 13	10.85 (941) 18	10.81 (941) 4	10.70 (941) 33	10.71 (942) 41	10.60 (925) 14	10.35 (934) 30	10.37 (932) 7
JAN 00	11.20 (661) 77	11.15 (678) 24	11.20 (684) 13	11.35 (691) 14	11.10 (690) 7	11.10 (695) 60	11.11 (700) 15	11.10 (702) 4	10.85 (742) 56	10.75 (749) 14
FEB 00	11.28 (444) 45	11.28 (458) 30	11.35 (458) 0	11.40 (463) 15	11.27 (469) 13	11.25 (488) 29	11.23 (490) 6	11.25 (503) 16	10.85 (559) 73	10.76 (562) 12
MAR 00	11.58 (388) 54	11.50 (399) 18	11.51 (401) 34	11.55 (400) 8	11.48 (405) 14	11.38 (421) 24	11.40 (422) 4	11.45 (437) 15	11.19 (485) 64	11.16 (489) 17
APR 00	11.65 (285) 45	11.60 (300) 28	11.65 (300) 0	11.65 (302) 7	11.55 (307) 8	11.50 (323) 29	11.50 (325) 3	11.55 (331) 6	11.45 (344) 21	11.45 (350) 10
MAY 00	11.60 (240) 39	11.57 (252) 23	11.60 (252) 2	11.62 (252) 6	11.60 (252) 5	11.50 (262) 22	11.53 (265) 5	11.57 (270) 5	11.47 (286) 32	11.47 (289) 6
JUN 00	11.87 (162) 25	11.80 (169) 9	11.85 (171) 2	11.81 (172) 1	11.83 (178) 7	11.80 (185) 13	11.78 (185) 0	11.78 (186) 1	11.78 (189) 9	11.78 (189) 0
JUL 00	12.50 (90) 11	12.52 (95) 9	12.55 (98) 3	12.55 (99) 4	12.50 (105) 10	12.50 (112) 15	12.50 (114) 2	12.55 (119) 5	12.55 (124) 6	12.56 (125) 3
AUG 00	12.82 (54) 2	12.82 (58) 6	12.85 (62) 4	12.86 (65) 6	12.89 (74) 22	12.89 (74) 0	12.85 (76) 2	12.85 (77) 2	12.85 (79) 2	12.86 (81) 6

**CME - CHEDDAR CHEESE -- Cents per pound**

DEC 99	139.00 (0) 0	139.00 (0) 0	139.00 (0) 0	139.00 (0) 0	136.50 (0) 0	131.50 (0) 0	128.00 (0) 0	128.00 (0) 0	128.00 (0) 0	128.00 (0) 0
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1/ At the CSCE/NYBT Open interest for BFP -- 100,000 pounds per contract. At the CME Open interest for BFP -- 200,000 pounds per contract.

For more detailed information, you may call our automated voice system at 608-224-5088 or the CSCE's Soft Fax at 212-742-6111.

**NOTE:** The CME started futures trading for dry whey and nonfat dry milk (NDM) on November 16, 1998. Up to this point, there have been no settling prices recorded for either product.

## INTERNATIONAL DAIRY MARKET NEWS

Information gathered November 15 - 26, 1999

Prices are U.S. Dollars per MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

## WESTERN AND EASTERN EUROPE

**OVERVIEW: WESTERN EUROPE:** During the past weekend, the first true signs of winter weather conditions prevailed in many European countries. Snow and ice were common, but by mid-week, milder temperatures and more favorable conditions prevailed. Milk production continues to hover around seasonal low levels, although some slight indications of improved milk output are starting to occur. Firm demand for cheese, and an overall lack of supplies, continues to attract available milk toward cheese production, thus limiting milk volumes for other manufactured dairy products. In most instances, stocks of manufactured dairy products are limited throughout Europe. For the most part, stocks are sufficient to meet local needs. Some traders are having difficulty in sourcing sufficient stocks to fulfill previously committed international orders. Most traders and buyers are not anticipating any Y2K problems, although some local buyers are placing slightly heavier orders for late December shipment. International sales activity is slow and unaggressive. Some products continue to clear to Russia, but nowhere comparable to the levels of two years ago.

**BUTTER/BUTTEROIL:** Butter markets are steady to firm. Current churning activity is light at seasonally low levels. Available milk volumes are clearing toward cheese versus butter/powder. Stocks of fresh butter are limited with most orders being filled from storage stocks. For the most part, sales activity is centering around local or domestic needs with minimal international sales occurring. Small lot shipments continue to clear to Russia. No significant improvement in buyer interest is developing from Russia.

82% BUTTERFAT: 1,450 - 1,650  
99% BUTTERFAT: 1,650 - 1,900

**SKIM MILK POWDER (SMP):** Skim milk powder markets are steady to firm. Stocks of powder are limited and for the most part, European sources are out of the international market. Many traders report that prices are nominal due to limited trades. Powder production is seasonally low as milk volumes available to butter/powder plants is limited.

1.25% BUTTERFAT: 1,400 - 1,450

**WHOLE MILK POWDER (WMP):** Whole milk powder prices are steady to firm. Current milk volumes are at seasonal low levels, thus whole milk production is minimal. European stocks are reported to be minimal and very little is available for potential buyers. For the most part, stocks are barely sufficient to maintain local or domestic needs. Although overall buyer interest is slow, European sales are limited due to lack of supplies and asking prices higher than buyers are willing to pay.

26% BUTTERFAT: 1,550 - 1,650

**SWEET WHEY POWDER:** European whey markets are generally steady at unchanged prices. Late season cheese production is active, thus whey volumes are more available than usual for this time of the year. Although whey stocks are somewhat more available, higher asking prices is limiting buyer interest. Overall sales activity is slow.

NONHYGROSCOPIC: 500 - 580

**OVERVIEW: EASTERN EUROPE:** Milk production in Eastern Europe is at seasonally low levels. Some reports indicate that raw milk output in Eastern Europe is more than 10% below the last production season. Due to lighter milk volumes all season and especially now, production of fresh manufactured dairy products is light. Stock levels are also limited and for the most part are only available to fill local/regional needs. Eastern European producers and traders feel that they will be out of the international market for the balance of the winter or until the new milk production season begins.

## OCEANIA

**OVERVIEW:** In both Australia and New Zealand, milk production is now past peak levels, although holding at seasonally high levels. Milk output thus far this season is running ahead of last year in both countries. In Australia, for the first four months of the production season, through October, reports indicate that milk output is running 8.4% ahead of last year at this time. In New Zealand, milk output continues to be over 10% heavier than last year when dry conditions prevailed. Milk volumes are fully sufficient to maintain full manufacturing schedules. Inventories of manufactured dairy products are reported to be in balance for current and projected needs. At this time, inventories are being referred to as comfortable. Ongoing international buying interest continues to clear typical volumes of Oceania produced dairy products with no significant new buyer interest being reported. Buyer interest from Southeast Asia is reported to be somewhat better than the past few years and hopefully will continue to improve. Russian interest continues to clear some dairy products, but traders do not anticipate this interest to be anywhere near the level of two years ago.

**BUTTER:** Oceania butter markets and prices are generally unchanged. Current production patterns remain seasonally heavy, thus fully sufficient butter stocks are available for current and future needs. Most current buying interest continues to center around ongoing/regular customers. Overall international buyer interest is reported to be slow. Oceania traders indicate that they do not feel that Russian butter buying patterns will develop into levels of a few years ago.

82% BUTTERFAT: 1,200 - 1,250

**CHEDDAR CHEESE:** The overall tone to the Oceania cheese market is steady to weak. Sales continue to regular buyers, although a few traders are indicating that some orders seem to be lighter than usual. Stocks of cheese are reported to be sufficient for current needs with additional volumes being placed in storage for future use. Current production schedules are seasonally active, although milk volumes are now starting to trend lower.

39% MAXIMUM MOISTURE: 1,650 - 1,750

**SKIM MILK POWDER (SMP):** Skim milk powder markets and prices are generally unchanged. Milk production in New Zealand and Australia is now reported to be on a downward trend. Production schedules of butter/powder remain seasonally active with current sales clearing stocks on a normal basis. For the most part, shipments are centering around ongoing buyer interest. At this time, stocks are reported to be in balance and comfortable. Producers and handlers are not overly concerned with stock levels, especially when looking at limited European stocks.

1.25% BUTTERFAT: 1,400 - 1,450

**WHOLE MILK POWDER (WMP):** Oceania whole milk powder markets are generally steady at unchanged prices. Milk production throughout the region is now on the downward side, although powder output remains strong. Sales activity is reported to center around ongoing buyer needs. New international sales are not significant at this time. Stocks are reported to be available should buyer interest improve.

26% BUTTERFAT: 1,475 - 1,500

Exchange rates for selected foreign currencies: November 23, 1999

.4682 Dutch Guilder	.5276 German Mark
.1573 French Franc	.5103 New Zealand Dollar
.1070 Mexican Peso	.6371 Australian Dollar
1.6203 British Pound	.0096 Japanese Yen
.2379 Polish Zloty	1.0319 Euro

To compare the value of 1 US Dollar to Mexican Pesos:  $(1/.1070) = 9.3458$ . That is 1 US Dollar equals 9.3458 Mexican Pesos.

Source: "Wall Street Journal"



## MONTHLY COLD STORAGE REPORT - TOTAL U.S. STOCKS

NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated.

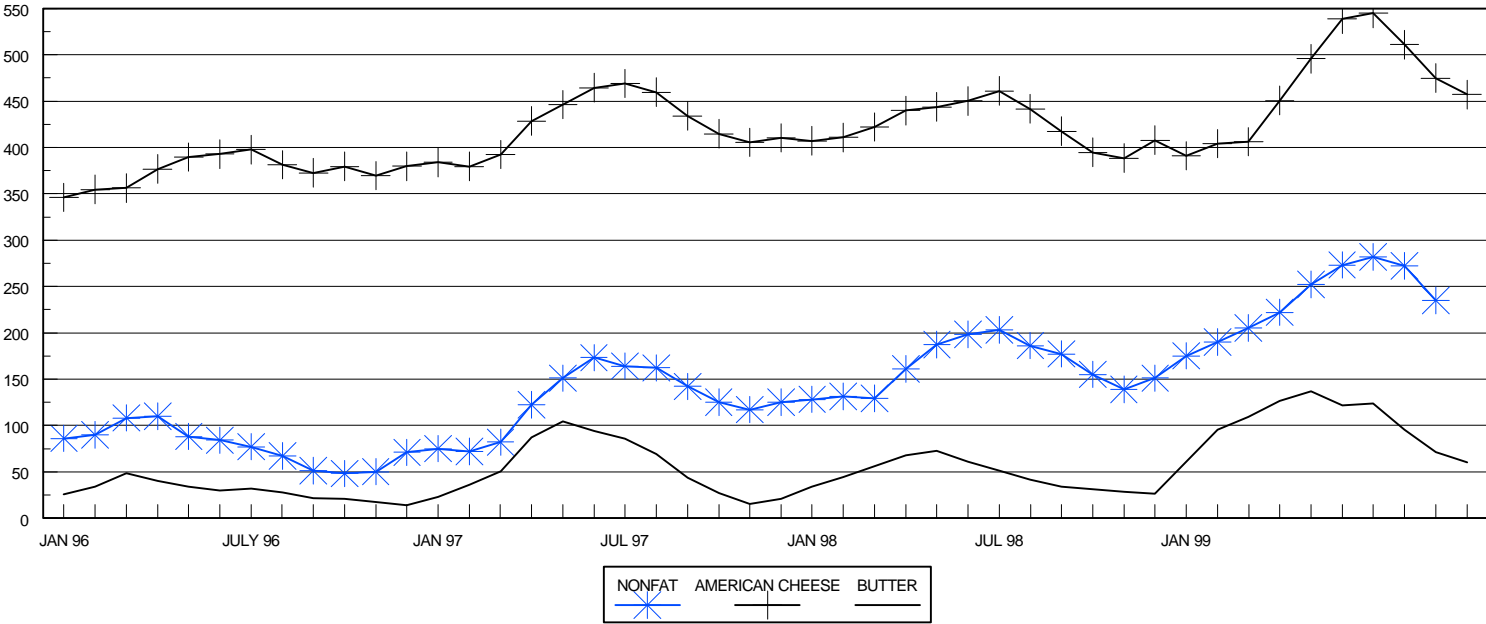
U. S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	SEP 30, 1997	SEP 30, 1998	REVISED SEP 30, 1999	OCT 31, 1997	OCT 31, 1998	OCT 31, 1999
Cream	---	---	---	---	---	---
Butter	43,936	34,077	71,473	26,581	31,164	59,864
Evap. & Cond. Milk	---	---	---	---	---	---
Cheese, Natural American	434,028	417,489	474,846	414,798	394,692	456,976
Cheese, Swiss	11,040	12,741	10,595	11,630	12,362	10,831
Cheese, Other Natural	98,607	122,765	167,220	78,542	115,658	154,933
U.S. GOVERNMENT OWNED COLD STORAGE HOLDINGS						
Butter	499	169	214	392	8	368
Natural American Cheese	257	172	9	61	216	53

OCTOBER COLD STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter			Other Natural Cheese		
	1997	1998	1999	1997	1998	1999*	1997	1998	1999
New England	21,854	22,456	22,685	3,012	---	---	145	256	602
Middle Atlantic	39,131	39,855	41,299	1,966	---	---	11,269	9,387	9,947
East North Central	232,640	202,911	223,792	11,612	---	---	53,618	94,224	89,352
West North Central	59,272	59,332	94,901	2,828	---	---	3,980	2,638	45,308
South Atlantic	263	561	645	103	---	---	3,934	742	1,105
East South Central	200	305	0	59	---	---	1,973	1,809	150
West South Central	1,076	353	350	1,113	---	---	67	318	163
Mountain	15,971	15,238	10,372	374	---	---	798	1,152	246
Pacific	44,391	53,681	62,932	5,514	---	---	2,758	5,132	8,060
TOTAL	414,798	394,692	456,976	26,581	31,164	59,864	78,542	115,658	154,933

\*Regional breakdowns are not reported to avoid possible disclosure of individual operations.

COLD STORAGE HOLDINGS 1996 TO DATE  
COMBINED GOVERNMENT AND COMMERCIAL

Million Pounds



## COMMERCIAL AND GOVERNMENT STORAGE HOLDINGS, JANUARY 1998 TO DATE

Month	Butter						Natural American Cheese						Nonfat Dry Milk					
	Total <u>1/</u>		Commercial		Government		Total <u>1/</u>		Commercial		Government		Total <u>1/ 2/</u>		Commercial		Government <u>2/</u>	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
	Million Pounds						Million Pounds						Million Pounds					
January	61	34	61	34	<u>3/</u>	<u>3/</u>	391	407	391	407	<u>3/</u>	<u>3/</u>	175	128	82	104	93	24
February	95	44	95	44	<u>3/</u>	<u>3/</u>	404	411	404	411	<u>3/</u>	<u>3/</u>	190	131	108	105	82	26
March	109	56	109	56	<u>3/</u>	<u>3/</u>	406	422	406	422	<u>3/</u>	<u>3/</u>	205	129	123	93	83	36
April	126	67	126	67	<u>3/</u>	<u>3/</u>	451	440	451	440	<u>3/</u>	<u>3/</u>	222	161	136	113	86	48
May	137	73	136	72	<u>3/</u>	<u>3/</u>	496	444	496	444	<u>3/</u>	<u>3/</u>	252	187	164	132	88	55
June	121	61	121	60	<u>3/</u>	<u>3/</u>	539	450	539	450	<u>3/</u>	<u>3/</u>	273	198	158	129	114	69
July	124	51	123	51	<u>3/</u>	<u>3/</u>	545	461	545	461	<u>3/</u>	<u>3/</u>	282	203	141	112	141	91
August	95	41	95	41	<u>3/</u>	<u>3/</u>	511	442	511	441	<u>3/</u>	<u>3/</u>	272	186	101	78	171	108
September	71	34	71	34	<u>3/</u>	<u>3/</u>	475	417	475	417	<u>3/</u>	<u>3/</u>	235	177	88	64	147	112
October	60	31	59	31	<u>3/</u>	<u>3/</u>	457	395	457	394	<u>3/</u>	<u>3/</u>		155		46		109
November		29		29	<u>3/</u>			389		389	<u>3/</u>			139		42		97
December		26		26	<u>3/</u>			408		408	<u>3/</u>			151		56		95

NA = Not available. 1/ Total may not add due to rounding. 2/ Includes instant nonfat dry milk. 3/ Less than 500,000 lbs.

COMMERCIALLY OWNED COLD STORAGE HOLDINGS FOR THE UNITED STATES 1/

Commodity	Sep 30, 1997	Sep 30, 1998	Sep 30, 1999	Oct 31, 1997	Oct 31, 1998	Oct 31, 1999
	Thousand Pounds					
Butter	43,437	33,908	71,259	26,189	31,156	59,496
Natural American Cheese	433,771	417,317	474,837	414,737	394,476	456,923

1/ Total holdings minus Government owned holdings. For more information, see page 9 of this report.

**SOURCE:** "Cold Storage," Co St 1 (11-99) and "Dairy Products," Da 2-6 (11-99), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Agricultural Stabilization and Conservation Service.

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF NOVEMBER 22 - 26, 1999			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/99	SAME PERIOD LAST YEAR	PERIOD ENDING 11/19/99	SAME PERIOD LAST YEAR
<b>BUTTER</b>							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHEESE</b>							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>NONFAT DRY MILK</b>							
Nonfortified	1,631,292	-0-	1,631,292	11,531,777	103,384	-0-	10,500,000
Fortified	-0-	-0-	-0-	909,269	-0-	-0-	-0-
<b>TOTAL</b>	1,631,292	-0-	1,631,292	12,441,046	103,384	-0-	10,500,000

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF NOVEMBER 22 - 26, 1999 =	0.4	19.0	COMPARABLE WEEK IN 1998 =	0.0	0.0
CUMULATIVE SINCE OCTOBER 1, 1999 =	2.7	144.8	CUMULATIVE SAME PERIOD LAST YEAR =	0.0	1.2
CUMULATIVE JANUARY 1 - NOVEMBER 26, 1999 =	43.6	2,309.4	COMPARABLE CALENDAR YEAR 1998 =	25.0	1,321.4

\* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

\*\*Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF NOVEMBER 22 - 26, 1999 (POUNDS)

REGION	BUTTER		CHEESE		NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS
MI DWEST	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/99 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99
MI DWEST	-0-	-0-	-0-	-0-	1,101,429	-0-	8.9	0.0
WEST	-0-	-0-	-0-	-0-	11,339,617	103,384	91.1	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	0.0	0.0
<b>TOTAL</b>	-0-	-0-	-0-	-0-	12,441,046	103,384	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 1999MANUFACTURING MILK: Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80DOLLARS PER POUNDBUTTER: Bulk \$.6500; 1# Prints \$.6800CHEESE: 40 & 60# Blocks \$1.1000; 500# Barrels \$1.0700; Process American 5# \$1.1525; Process American 2# \$1.1925NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 11/06/99 & Comparable Week 1998 1/ 2/

Regions*	1	2	3	4	5	6	7	8	9	10	U.S. TOTAL	% DAIRY OF ALL
											WEEK : SINCE JAN 1:	WEEK : SINCE JAN 1
1999-Dairy cows HD (000)	0.2	0.9	6.9	5.2	21.2	2.1	2.9	0.8	10.9	3.0	54.0	2,205.7
1998-Dairy cows HD (000)	0.3	1.5	6.9	6.2	19.6	2.4	3.2	0.5	8.9	2.9	52.3	2,268.0
1999-All cows HD (000)	0.3	1.1	9.7	14.9	29.6	19.4	21.4	4.9	14.5	9.4	125.2	4,809.9
1998-All cows HD (000)	0.3	1.6	9.5	17.4	27.7	20.8	19.1	5.4	12.5	8.5	122.6	5,027.7

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

1/ States included in regions are as follows: Region 1--ME, NH, VT, CT, MA, and RI; Region 2--NY and NJ; Region 3--DE, PA, WV, VA, and MD; Region 4--KY, TN, NC, SC, GA, AL, MS, and FL; Region 5--MI, OH, IN, IL, WI, and MN; Region 6--TX, OK, NM, AR, and LA; Region 7--IA, NB, KS, and MO; Region 8--MT, WY, CO, UT, ND, and SD; Region 9--CA, NV, AZ, and HA; Region 10--ID, OR, and WA. 2/ Totals may not add due to rounding.

BASIC FORMULA PRICE (BFP), MAY 1995\* TO DATE & HISTORIC M-W (3.5% BF, \$/CWT.)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38
1995	11.35	11.79	11.89	11.16	*11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83	12.96	13.29
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49		